

REMARKS

Claims 1-6, 8-13, 15-20 and 71 were pending, constituting Group I of elected claims and Claim 71 which was introduced as a linking claim. In the present Office action, Claims 1-3, 6, 8-10, 13, 15-20 and 71 were rejected; Claims 4-5, 11 and 12 were objected to. In this response Claims 1, 15 and 71 have been amended. No new matter has been introduced. The Applicant respectfully submits that as a result of the amendments and the discussion presented herein, the pending claims are allowable. In addition, withdrawn claims 7, 14 and 21, being dependent on now allowable Claim 1, are also allowable.

Claim Objections

The Office action summary indicates that Claims 4-5, 11 and 12 were objected to; however, no detailed explanation was offered. The Applicant presumes that the claims would be allowable, without more, if rewritten to incorporate the subject matter of the base claim and all intervening claims. The Applicant has amended Claim 1, upon which the claims objected to depend, and submits that as the base claim is now allowable, the objections made to the dependent claims would now be withdrawn, which action is respectfully requested.

Claim Rejections

35 U.S.C. § 112, second paragraph

Claims 15-20 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which the applicant regards as the invention. Claim 15 has been rewritten to incorporate the subject matter of Claim 8 and to be dependent on amended Claim 1; this is supported by the description in the specification at page 30, lines 13-15. Claims 16-20, being dependent on Claim 15 are, without more, also allowable.

35 U.S.C. § 102 (e)

Claims 1-3, 6, 8-10, 13, 15-17, 20 and 71 were rejected under 35 U.S.C. § 102 (e) as being anticipated by Aoki et al. (US 6,587,315; "Aoki"). The Applicant respectfully traverses these rejections; however, Claims 1 and 71 have been amended to more clearly describe the subject matter.

Claim 1, now recites, *inter alia*,

... a pair of insulating layers extending over the hard bias layers and both top ends of the laminate in the track width direction; and ...

wherein said pair of lead layers have overlay sections which extend towards the center of the laminate and edges of the overlay sections extend beyond ends of the insulating layers towards the center of the laminate, the edges of the overlay sections being in contact with the laminate.

Claim 71, now recites, *inter alia*,

...wherein the pair of lead layers have overlay sections which extend on top ends of the laminate, edges of the overlay sections extending beyond ends of the insulating layers towards the center of the laminate, the edges of the overlay sections being in contact with the laminate.

In Aoki, insulating layers are not disposed under the overlay sections. In the arrangement of Claims 1 and 71, only small sensing currents flow at both ends of the free magnetic layer, and it is thereby possible to reduce the track width of the spin-valve thin-film magnetic element. Aoki neither teaches nor suggests this structure or advantage. Therefore Claims 1 and 71 are not anticipated by the reference and are allowable. Claims 2-6, 8, and 15 are dependent on Claim 1, Claims 9-13 are dependent on Claim 8, and Claims 16-20 are dependent on Claim 15, and are therefore also allowable.

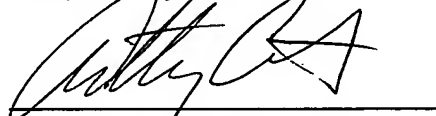
Conclusion

As a result of this amendment, Claims 1-6, 8-13, 15-20 and 71 are pending. The Applicants respectfully submit that the pending claims are in condition for allowance and request that a Notice of Allowance be promptly issued.

The Applicant respectfully submits that the election requirement applicable to Claims 7, 14 and 21 should now be withdrawn as these claims are dependent on an allowable base claim.

The Examiner is respectfully requested to contact the undersigned in the event that a telephone interview would expedite consideration of the application.

Respectfully submitted,



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